

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2008

	March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	FYTD	FY07	Ended 6/30/2007	Ended 6/30/2007
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
Los Angeles Capital	68,975	2.7%	2.8%	-10.91%	72,127	2.7%	2.8%	-1.50%	74,953	2.8%	2.8%	0.38%	-11.91%	21.84%	13.35%	N/A
Total Structured Growth	68,975	2.7%	2.8%	-10.91%	72,127	2.7%	2.8%	-1.50%	74,953	2.8%	2.8%	0.38%	-11.91%	21.84%	13.35%	10.94%
Russell 1000 Growth				-10.18%				-0.77%				4.21%	-7.12%	19.04%	8.70%	9.28%
<i>Structured Value</i>																
LSV	68,363	2.7%	2.8%	-9.73%	70,558	2.6%	2.8%	-5.53%	73,074	2.7%	2.8%	-0.89%	-15.48%	23.77%	19.00%	16.55%
Russell 1000 Value				-8.72%				-5.80%				-0.24%	-14.22%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>																
LA Capital	138,269	5.4%	5.6%	-10.22%	143,469	5.4%	5.6%	-1.07%	149,216	5.6%	5.6%	0.24%	-10.96%	21.27%	13.46%	N/A
Russell 1000				-9.48%				-3.23%				1.98%	-10.67%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>																
Westridge	156,777	6.1%	5.6%	-9.12%	160,793	6.0%	5.6%	-3.04%	165,370	6.2%	5.6%	2.18%	-9.96%	21.12%	11.98%	N/A
S&P 500				-9.44%				-3.33%				2.03%	-10.68%	20.59%	11.68%	
<i>Index</i>																
State Street	51,116			-10.81%	43,645			-6.37%	45,313			-0.80%	-17.15%	21.82%	12.34%	11.08%
Total 130/30	51,116	2.0%	1.9%	-10.81%	43,645	1.6%	1.9%	-6.37%	45,313	1.7%	1.9%	-0.80%	-17.15%	21.82%	12.34%	11.08%
S&P 500				-9.44%				-3.33%				2.03%	-10.68%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	483,500	18.8%	18.8%	-9.94%	490,592	18.4%	18.8%	-2.89%	507,926	19.0%	18.8%	0.62%	-12.01%	21.86%	13.76%	12.22%
S&P 500				-9.44%				-3.33%				2.03%	-10.68%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	82,036	3.2%	3.1%	-11.46%	79,846	3.0%	3.1%	-6.35%	85,169	3.2%	3.1%	-3.66%	-20.12%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-9.43%				-4.09%				-2.60%	-15.40%	18.76%	15.72%	16.16%
<i>Enhanced</i>																
Research Affiliates	81,856	3.2%	3.1%	-6.75%	75,674	2.8%	3.1%	-7.00%	81,205	3.0%	3.1%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-9.90%				-4.58%				-3.09%	-16.68%			
TOTAL SMALL CAP DOMESTIC EQUITY	163,892	6.4%	6.3%	-9.17%	155,520	5.8%	6.3%	-6.67%	166,374	6.2%	6.3%	-4.98%	-19.45%	18.39%	13.70%	14.37%
Russell 2000				-9.90%				-4.58%				-3.09%	-16.68%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY																
<i>Large Cap - Active</i>																
Capital Guardian	105,282	4.1%	4.0%	-10.93%	106,089	4.0%	4.0%	-1.23%	107,829	4.0%	4.0%	0.61%	-11.49%	25.99%	21.19%	14.89%
LSV	99,229	3.9%	4.0%	-12.84%	102,004	3.8%	4.0%	-6.39%	109,462	4.1%	4.0%	-3.37%	-21.16%	31.24%	N/A	N/A
Total Large Cap - Active	204,510	7.9%	8.0%	-11.87%	208,092	7.8%	8.0%	-3.80%	217,291	8.1%	8.0%	-1.43%	-16.43%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				-12.04%				-2.19%				0.11%	-13.88%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>																
DFA	25,696	1.0%	1.0%	-3.65%	25,225	0.9%	1.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	26,592	1.0%	1.0%	-3.92%	N/A	21.03%	20.93%	N/A
Total Small Cap Value	25,696	1.0%	1.0%	-3.65%	25,225	0.9%	1.0%	-0.64%	26,592	1.0%	1.0%	-3.92%	-8.02%	21.03%	20.93%	N/A
S&P/Citigroup Broad Market Index < \$2BN				-14.70%				-5.94%				-0.66%	-20.29%	28.58%	26.34%	
<i>Small Cap - Growth</i>																
Vanguard	25,032	1.0%	1.0%	-8.33%	25,821	1.0%	1.0%	-4.84%	26,023	1.0%	1.0%	-1.48%	-14.06%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				-14.70%				-5.94%				-0.66%	-20.29%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	255,239	9.9%	10.0%	-10.75%	259,138	9.7%	10.0%	-3.97%	269,907	10.1%	10.0%	-1.70%	-15.74%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged				-12.04%				-2.19%				0.11%	-13.88%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	417,616	16.2%	17.1%	-1.03%	448,830	16.8%	17.1%	1.63%	439,212	16.4%	17.1%	1.87%	2.46%	7.29%	4.44%	5.64%
Lehman Aggregate				2.17%				3.00%				2.84%	8.23%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>																
Hyperion	106,811	4.1%	4.4%	-7.97%	120,058	4.5%	4.4%	-1.00%	119,544	4.5%	4.4%	-1.78%	-10.51%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				4.18%				3.15%				3.88%	11.63%			
<i>Core Plus/Enhanced</i>																
Clifton Group	125,831	4.9%	4.4%	3.69%	130,842	4.9%	4.4%	3.99%	124,007	4.6%	4.4%	4.41%	12.59%	5.52%	N/A	N/A
Prudential	122,422	4.8%	4.4%	0.95%	125,451	4.7%	4.4%	2.45%	120,714	4.5%	4.4%	1.95%	5.44%	N/A	N/A	N/A
Total Core Plus/Enhanced	248,253	9.6%	8.8%	2.35%	256,293	9.6%	8.8%	3.23%	244,721	9.1%	8.8%	3.18%	9.02%	5.95%	N/A	N/A
Lehman Aggregate				2.17%				3.00%				2.84%	8.23%	6.12%		
<i>Index</i>																
Bank of ND	215,361	8.4%	7.7%	2.94%	224,526	8.4%	7.7%	3.04%	218,634	8.2%	7.7%	3.09%	9.36%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				2.53%				3.10%				3.01%	8.89%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>																
Wells Capital (formerly Strong)	425,452	16.5%	17.1%	0.36%	444,958	16.7%	17.1%	1.98%	433,385	16.2%	17.1%	1.48%	3.87%	7.93%	4.86%	6.59%
Lehman US Credit BAA				-1.05%				1.90%				1.67%	2.51%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	1,413,494	54.8%	55.0%	0.00%	1,494,665	56.1%	55.0%	2.00%	1,455,495	54.4%	55.0%	1.84%	3.88%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				2.17%				3.00%				2.84%	8.23%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																
Bank of ND	261,164	10.1%	10.0%	0.70%	265,295	10.0%	10.0%	0.96%	277,473	10.4%	10.0%	1.24%	2.93%	5.36%	4.10%	3.00%
90 Day T-Bill				0.88%				1.05%				1.34%	3.31%	5.21%	3.78%	2.76%
TOTAL BONDING FUND	2,577,289	100.0%	100.0%	-3.31%	2,665,210	100.0%	100.0%	-0.17%	2,677,175	100.0%	100.0%	0.63%	-2.87%	12.43%	8.06%	8.32%
POLICY TARGET BENCHMARK				-2.38%				0.64%				1.92%	0.13%	11.30%	7.64%	7.64%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.